S-E-C-R-E-T Security Information IAC-M-59 7 February 1952

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting held in Director's
Conference Room, Administration Building
Central Intelligence Agency, on 7 February 1952

Director of Central Intelligence General Walter Bedell Smith Presiding

MEMBERS PRESENT

Mr. W. Park Armstrong, Jr., Special Assistant, Intelligence, Department of State

Major General A. R. Bolling, Assistant Chief of Staff, G-2, Department of the Army

Rear Admiral Felix L. Johnson, Director of Naval Intelligence,
Department of the Navy

Major General John A. Samford, Director of Intelligence, Headquarters, United States Air Force

Dr. Walter F. Colby, Director of Intelligence, Atomic Energy Commission.

Colonel S. M. Lansing, acting for Deputy Director for Intelligence, The Joint Staff

Mr. Victor P. Keay, acting for Assistant to the Director, Federal Bureau of Investigation

ALSO PRESENT

Dr. Sherman Kent, Central Intelligence Agency Central Intelligence Agency 25X1 Central Intelligence Agency Central Intelligence Agency Central Intelligence Agency Mr. William P. Bundy, Central Intelligence Agency Central Intelligence Agency Mr. William C. Trueheart, Department of State Mr. Richard Scammon, Department of State Brigadier General John Weckerling, Department of the Army Colonel O. B. Sykes, Department of the Army Lieut. Colonel H. N. Maples, Department of the Army Captain Ray Malpass, USN, Department of the Navy Colonel Edward H. Porter, Department of the Air Force Colonel J. F. Pinkney, The Joint Staff

> James Q. Reber Secretary Intelligence Advisory Committee

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Approved For Pr

7 February 1952 Approved For Release 2003/02/27 : CIA-RDP85S00362R000200030004-2

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Approval of Minutes

1. Action: The minutes of the last meeting, 31 January 1952, (IAC-M-58) were approved subject to the correction by Admiral Johnson that the meetings at Singapore (ref. Paragraph 3) are held periodically rather than quarterly.

Regulation of Travel of
Soviet Officials in the
United States. (IAC-D-2/1)

- 2. Action: The IAC concurred in the proposal for the regulation of travel of Soviet officials in the U. S. as proposed by the Department of State, it being understood that the Department of State is going to make arrangements with the FBI for notification of every proposed trip by Soviet Officials.
- 3. Discussion: Mr. Armstrong, in presenting this paper, indicated that the proposed action by the Department of State was not intended as a security measure but was in reciprocity for the Russian note and that it was the intention to follow that very closely. He called attention to the fact that the proposed regulation does not require that permission be given for the travel of Soviet officials but does make it possible for the Department to deny such travel if deemed advisable. The paper does not consider the question of imposing travel restrictions on Soviet officials accredited to the United Nations. This question is complicated by the United Nations Headquarters Agreement and is being studied by the Department.
- 4. In response to the questions Mr. Armstrong stated that in the case of similar restrictions imposed on Rumania and Hungary the FBI has been notified of requests for travel and has been asked to spot check such travel to detect violations. As far as is known there have been no violations and it is expected that in the Russian case as in the others the possibility of U. S. action in considering the offending officials persona non grata would be an effective deterent. The question was raised whether TASS has Soviet representatives in New York who should also be included in the regulation and Mr. Armstrong said he would look into the matter. While the Department does not intend to base its action on what the other NATO countries do, Mr. Armstrong indicated that a similar action is virtually approved as high as the Undersecretary in the British Foreign Office.
- 5. General Bolling indicated possible difficulties in the Defense Department in the event the language, Paragraph 3 of TAB B, remained.

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The Department of Defense is listed as the Agency to which notification should be addressed in the case of Soviet military personnel. This arrangement he indicated would possibly involve delay to the point where notification would not reach the responsible offices (which are the military intelligence agencies in the Department of Defense) until after the trip had taken place. It was understood that if adjustment of this language were not considered desirable by the Department the difficulty could be met by the Department of Defense notifying the senior attaches that for the purpose of this order they should present their notifications to the military intelligence agencies. (Note:--It is understood that the Department of State subsequent to the meeting revised the regulation to meet this problem.)

Review of the National Estimate on Formosa. (NIE-27)

- 6. Action: Agreed that the review of this estimate should be broadened including the assumptions that (a) a truce is effected in Korea, but the Chinese forces are not completely tied down in Korea, and (b) that fighting is renewed.
- 7. Discussion: General Smith reported that in pursuance of the action of the IAC at the meeting of 24 January 1952 (IAC-M-57) the Board of Estimates had taken a quick look at NIE-27 and concluded that the Communists would not launch an attack on Formosa during the period through mid-1952. In spite of this conclusion it was believed that the possible Communist action in the face of the other contingencies noted in the above paragraph warranted a more extended review which should be done in the course of the next week.

Probable Developments in Eastern Germany through 1952. (NIE-50)

8. Action: This estimate as amended was approved.

Probable Political
Developments in the West
German Situation. (NIE-57)

9. Action: Agreed changes were made in this draft. It was agreed that the agencies would record concurrences in this estimate to O/NE by telephone on Monday morning, ll February.

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10. Of some interest in connection with this paper and the general subject of the attitude of the Soviets toward Western Europe, recounted a conversation he had with Mr. Grew, Mr. Hamilton Fish Armstrong, Mr. Nelson Johnson and Mr. Kennan. They were in agreement with respect to the Soviet attitude regarding Germany (a) that Western Europe is the center of Soviet intentions, (b) that the military and economic potential in Western Germany constitutes a pivotal factor in Soviet eyes, (c) that the Soviet Union likely expects that it can and will through political warfare block Western Europe integration and rearmament, and (d) that at the moment the USSR is not convinced that West German rearmament will said. be achieved. There was also discussion in that group, on the questions of the USSR risking courses of action in other parts of the world while not abandoning its faith in political warfare and of what the USSR would do when and if it realized that such political warfare was not adequate to block German rearmament. There were no firm conclusions to these questions. He noted that this group agreed with the estimate of the present paper although recognizing that one cannot altogether ignore the possibility of the USSR withdrawal in Eastern Germany as a possible move. There was agreement among the group that USSR action would be limited to political warfare up to the point where West Germany rearmament actually produced divisions and heavy armament in substantial amount. Beyond that there was no settled opinion.

Intelligence Coordinator in Austria

11. Action: The IAC concurred in General Smith's proposal that Admiral Overesch serve as coordinator of intelligence activities in Austria, a role similar to General Truscott's in Germany.

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12. Discussion: General Smith stated that he had appointed
to be the CIA senior representative in
Austria. He indicated that he was greatly impressed by
experience and personality and believed he would be able
to effectively coordinate U.S. intelligence activities for High
Commissioner Donnelly. While the need for improving the coordination
of U. S. intelligence activities in Austria was not as extensive or
as critical at this time as in Germany, General Smith said, he nonethe-
less believed it would be desirable to have a man of
ability in the coordinating role in the face of possible eventualities
in Austria.

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NIE-50: Get footnote from G-2. Used revised AF footnote.

NIE-27/1: Remove assumptions and broaden paper. No deadline set.

NIE-57: Use revised AF footnote. Telephone concurrences will

be gotten on Monday, by noon.